

117TH CONGRESS
2D SESSION

S. 4364

To prohibit contracting with persons that have business operations with the Government of the Russian Federation or the Russian energy sector, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 8 (legislative day, JUNE 7), 2022

Mr. SCOTT of Florida introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To prohibit contracting with persons that have business operations with the Government of the Russian Federation or the Russian energy sector, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,*

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Keeping Russia’s En-
5 ergy and Military Liable for Invading its Neighbors Act”
6 or the “KREMLIN Act”.

1 **SEC. 2. PROHIBITION ON CONTRACTING WITH PERSONS**
2 **THAT HAVE BUSINESS OPERATIONS WITH**
3 **THE GOVERNMENT OF THE RUSSIAN FED-**
4 **ERATION OR THE RUSSIAN ENERGY SECTOR.**

5 (a) **PROHIBITION.**—Except as provided under sub-
6 section (b), the head of an executive agency may not enter
7 into a contract for the procurement of goods or services
8 with any person that has business operations with—

9 (1) an authority of the Government of the Rus-
10 sian Federation; or

11 (2) a fossil fuel company that operates in the
12 Russian Federation, except if the fossil fuel company
13 transports oil or gas—

14 (A) through the Russian Federation for
15 sale outside of the Russian Federation; and

16 (B) that was extracted from a country
17 other than the Russian Federation with respect
18 to the energy sector of which the President has
19 not imposed sanctions as of the date on which
20 the contract is awarded.

21 (b) **EXCEPTIONS.**—

22 (1) **HUMANITARIAN ASSISTANCE, DISASTER RE-**
23 **LIEF, AND NATIONAL SECURITY.**—

24 (A) **IN GENERAL.**—The prohibition under
25 subsection (a) does not apply to a contract that

1 the head of an executive agency and the Sec-
2 retary of State jointly determine—

3 (i) is necessary for purposes of pro-
4 viding humanitarian assistance to the peo-
5 ple of the Russian Federation;

6 (ii) is necessary for purposes of pro-
7 viding disaster relief and other urgent life-
8 saving measures; or

9 (iii) is vital to the national security in-
10 terests of the United States.

11 (B) NOTIFICATION REQUIREMENT.—The
12 head of an executive agency shall notify the ap-
13 propriate congressional committees of any con-
14 tract entered into on the basis of an exception
15 under subparagraph (A).

16 (2) OFFICE OF FOREIGN ASSETS CONTROL LI-
17 CENSES.—The prohibition under subsection (a) does
18 not apply to a person that has a valid license to op-
19 erate in the Russian Federation issued by the Office
20 of Foreign Assets Control of the Department of the
21 Treasury or is otherwise authorized to operate not-
22 withstanding the imposition of sanctions with re-
23 spect to the Russian Federation.

24 (3) AMERICAN DIPLOMATIC MISSION IN RUS-
25 SIA.—The prohibition under subsection (a) does not

1 apply to contracts related to the operation and main-
2 tenance of the consular offices and diplomatic posts
3 of the United States Government in the Russian
4 Federation.

5 (c) APPLICABILITY.—This section shall take effect on
6 the date of the enactment of this Act and apply with re-
7 spect to any contract entered into on or after such date.

8 (d) SUNSET.—This section shall terminate on the
9 date on which the President submits to the appropriate
10 congressional committees a certification in writing that
11 contains a determination of the President that the Russian
12 Federation—

13 (1) has reached an agreement relating to the
14 withdrawal of Russian forces from Ukraine and ces-
15 sation of military hostilities in Ukraine that is ac-
16 cepted by the free and independent Government of
17 Ukraine;

18 (2) poses no immediate military threat of ag-
19 gression to any member of the North Atlantic Tre-
20 aty Organization; and

21 (3) recognizes the right of the people of
22 Ukraine to independently and freely choose their
23 own government.

24 (e) DEFINITIONS.—In this section:

1 (1) AGENCY OR INSTRUMENTALITY OF THE
2 GOVERNMENT OF THE RUSSIAN FEDERATION.—The
3 term “agency or instrumentality of the Government
4 of the Russian Federation” means an agency or in-
5 strumentality of a foreign state as defined in section
6 1603(b) of title 28, United States Code, with each
7 reference in such section to “a foreign state”
8 deemed to be a reference to “the Russian Federa-
9 tion”.

10 (2) APPROPRIATE CONGRESSIONAL COMMIT-
11 TEES.—The term “appropriate congressional com-
12 mittees” means—

13 (A) the Committee on Armed Services, the
14 Committee on Foreign Relations, and the Com-
15 mittee on Homeland Security and Govern-
16 mental Affairs of the Senate; and

17 (B) the Committee on Armed Services, the
18 Committee on Foreign Affairs, and the Com-
19 mittee on Oversight and Reform of the House
20 of Representatives.

21 (3) BUSINESS OPERATIONS.—The term “busi-
22 ness operations” means the act of engaging in com-
23 mercial in any form, including acquiring, developing,
24 maintaining, owning, selling, possessing, leasing, or
25 operating equipment, facilities, personnel, products,

1 services, personal property, real property, or any
2 other apparatus of business or commerce.

3 (4) EXECUTIVE AGENCY.—The term “executive
4 agency” has the meaning given the term in section
5 133 of title 41, United States Code.

6 (5) FOSSIL FUEL COMPANY.—The term “fossil
7 fuel company” means a person that—

8 (A) carries out oil, gas, or coal exploration,
9 development, or production activities;
10 (B) processes or refines oil, gas, or coal; or
11 (C) transports, or constructs facilities for
12 the transportation of, oil, gas, or coal.

13 (6) GOVERNMENT OF THE RUSSIAN FEDERA-
14 TION.—The term “Government of the Russian Fed-
15 eration” includes the government of any political
16 subdivision of the Russian Federation and any agen-
17 cy or instrumentality of the Government of the Rus-
18 sian Federation.

19 (7) PERSON.—The term “person” means—

20 (A) a natural person, corporation, com-
21 pany, business association, partnership, society,
22 trust, or any other nongovernmental entity, or-
23 ganization, or group;

24 (B) a governmental entity or instrumen-
25 tality of a government, including a multilateral

1 development institution (as defined in section
2 1701(c)(3) of the International Financial Insti-
3 tutions Act (22 U.S.C. 262r(c)(3))); and
4 (C) a successor, subunit, parent entity, or
5 subsidiary of, or an entity under common own-
6 ership or control with, an entity described in
7 subparagraph (A) or (B).

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